

## MATERIAL CHANGE REPORT

### Item 1 – Name and Address of Company:

LOGiQ Asset Management Inc.  
77 King Street, Suite 2110  
Toronto Dominion Centre  
Toronto, ON M5K 1G8

### Item 2 – Date of Material Change:

September 11, 2017

### Item 3 – News Release:

Press releases dated September 11, 2017 and September 13, 2017, respectively, and attached hereto as Schedule “A” were issued through Marketwired. Copies of the news releases are available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Item 4 – Summary of Material Change:

LOGiQ Asset Management Inc. (“**LOGiQ**”) and Purpose Investments Inc. (“**Purpose**”) announced that they have entered into a purchase and sale agreement (the “**Purchase and Sale Agreement**”) providing for the acquisition by Purpose of substantially all of the retail asset management agreements owned by LOGiQ and its affiliates (the “**Transaction**”).

### Item 5 – Full Description of Material Change:

For full details of the Transaction between LOGiQ and Purpose and for further information regarding the material change, please refer to Schedule “A” attached hereto.

### Item 6 – Reliance on subsection 7.1(2) of National Instrument 51-102:

Not applicable.

### Item 7 – Omitted Information:

Not applicable.

### Item 8 – Executive Officer:

For further information, please contact:

Joe Canavan  
President & Chief Executive Officer  
LOGiQ Asset Management Inc.  
(416) 583-2300

Mary Anne Palangio  
Chief Financial Officer  
LOGiQ Asset Management Inc.  
(416) 583-2300

### Item 9 – Date of Report:

September 20, 2017.

**Schedule "A"**



**PURPOSE**  
INVESTMENTS



## **LOGiQ ASSET MANAGEMENT AND PURPOSE INVESTMENTS ANNOUNCE RETAIL ASSET MANAGEMENT TRANSACTION**

**Toronto, ON**, September 11, 2017 – LOGiQ Asset Management Inc. (TSX:LGQ) (“**LOGiQ**” or the “**Company**”) and Purpose Investments Inc. (“**Purpose**”) are pleased to announce today that they have entered into a purchase and sale agreement (the “**Purchase and Sale Agreement**”) providing for the acquisition by Purpose of substantially all of the retail asset management agreements owned by LOGiQ and its affiliates (the “**Transaction**”). Under the terms of the Purchase and Sale Agreement, the purchase price for the retail asset management contracts to be acquired by Purpose will be \$32.9 million, subject to adjustment based on the assets under management of the funds related to the acquired contracts at closing.

“The retail funds industry is experiencing massive change and ongoing consolidation. We believe that as scale becomes critical for retail fund managers, the benefits of a larger platform such as Purpose’s will translate into significant benefits for fund investors. This transaction will also materially improve the Company’s balance sheet and liquidity, and will allow us to focus on pursuing growth outside the retail funds sector, including a focus on growing our institutional global sales business under the direction of Steve Mantle and our institutional and private client business managed by Barry Morrison” said LOGiQ President and CEO, Joe Canavan. “As we exit the retail funds business, we intend to retire the vendor note issued in connection with the acquisition of the Global Advisor platform from Integra Capital Limited in December, 2016 and to pay down the drawn amount, if any, on the Company’s working capital facility established in August with R.C. Morris & Company Capital Management. We also intend on significantly reducing the Company’s cost structure going forward as part of this transition” added Mr. Canavan.

“We are excited to acquire these high-quality, well-managed investment funds from LOGiQ,” said Purpose President and Chief Executive Officer, Som Seif. “Expanding and complementing our active management business continues to be an important part of our growth strategy at Purpose. This transaction will allow us to further expand our investment offerings and provide Canadians with an even broader selection of well-diversified portfolio solutions.”

“As one of Canada’s leading independent investment management firms, we look forward to growing these funds and continuing to deliver outstanding performance for our clients” continued Mr. Seif. “Over the next several months, we will work hard to better align the products through strategy enhancements and lower overall fees, with Purpose’s overall goals to provide accessible, intelligent solutions that help Canadians drive better portfolio outcomes.”

The closing of the Transaction, which is expected to occur by the end of December, is subject to a number of conditions precedent including the approval by the holders of securities of the funds for which management contracts are to be acquired by Purpose, approval by the holders of the LOGiQ common shares and the 7.00% senior unsecured convertible debentures due June 30, 2021, all required securities regulatory and stock exchange approvals, and satisfaction of other customary closing conditions.

FS Group Holdings Ltd. which holds an aggregate of 28% of LOGiQ common shares has entered into a voting support agreement to, among other things, vote in favour of the Transaction.

### **Board Recommendation**

The board of directors of LOGiQ, after consultation with its financial and legal advisors, and based on the unanimous recommendation of a Special Committee of the LOGiQ board of directors (the “**Special Committee**”) established to review the Transaction, has unanimously recommended that holders of LOGiQ common shares and debentures vote in favour of the Transaction at a special meeting of shareholders and debentureholders (collectively, the “**Meetings**”) to consider the Transaction. LOGiQ’s

Special Committee has received a fairness opinion from Canaccord Genuity Corp. that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications set forth therein, the consideration to be received by the Company pursuant to the Transaction is fair from a financial point of view to the holders of the LOGiQ common shares.

Further details concerning the Transaction and the post-closing plans for LOGiQ will be set out in the joint management information circular to be prepared in connection with the Meetings, which will be mailed to shareholders and debentureholders and made available under LOGiQ's profile at [www.sedar.com](http://www.sedar.com).

Canaccord Genuity Corp. is acting as financial advisor to the Special Committee of the board of directors of LOGiQ. LOGiQ's legal counsel is Blake, Cassels & Graydon LLP. Purpose's legal counsel is Osler, Hoskin & Harcourt LLP.

LOGiQ ([logiqasset.com](http://logiqasset.com)) is a diversified asset management company with a suite of retail mutual funds, closed end funds, hedge funds and pooled funds, and also provides segregated institutional managed accounts and institutional advisory sales. Excluding the retail assets under management that are the subject of the Transaction, LOGiQ has assets under management or advisement, and institutional advisory sales-related fee earning arrangements that are not managed or advised, totaling approximately \$3.5 billion as at August 11, 2017.

Purpose Investments Inc. is an asset management firm inspired by the belief that all investors should have access to great investment products along with low fees. Purpose believes in focusing first on managing risk and creating value that is currently missing from the marketplace, thus empowering all Canadians to be better investors. Purpose has over \$3.4 billion in assets under management and currently offers 35 exchange traded funds and mutual funds and 7 closed-end funds across multiple asset classes and both traditional and alternative investment strategies. Redwood Asset Management Inc., a wholly owned subsidiary of Purpose, is focused on delivering unique active-investment solutions managed by boutique global investment managers to Canadian investors.

For further information concerning this press release, please contact:

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(416) 304-6811  
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*The TSX has neither approved nor disapproved the information contained herein.*

**Forward-Looking Statements:** This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements.



**PURPOSE**  
INVESTMENTS



## LOGiQ ASSET MANAGEMENT AND PURPOSE INVESTMENTS ANNOUNCE

### RETAIL ASSET MANAGEMENT TRANSACTION

**Toronto, ON**, September 13, 2017 – LOGiQ Asset Management Inc. (TSX: LGQ) (“**LOGiQ**” or the “**Company**”) and Purpose Investments Inc. (“**Purpose**”) announced that they have entered into a purchase and sale agreement (the “**Purchase and Sale Agreement**”) providing for the acquisition by Purpose of substantially all of the retail asset management agreements owned by LOGiQ and its affiliates (the “**Transaction**”). Under the terms of the Purchase and Sale Agreement, the purchase price for the retail asset management contracts to be acquired by Purpose will be \$32.9 million, subject to adjustment based on the assets under management of the funds related to the acquired contracts at closing. Redwood Asset Management Inc. (“**Redwood**”), a wholly-owned subsidiary of Purpose, will act as manager and/or trustee and/or portfolio manager in respect of the LOGiQ funds set out below (the “**LOGiQ Funds**”) following closing of the Transaction.

The closing of the Transaction, which is expected to occur by the end of December, is subject to a number of conditions precedent including, among other things, all necessary approvals by the holders of securities of the LOGiQ Funds, approval by the holders of the LOGiQ common shares and the 7.00% senior unsecured convertible debentures due June 30, 2021, all required securities regulatory and stock exchange approvals, and satisfaction of other customary closing conditions.

Upon completion of the Transaction and subject to receipt of all necessary approvals, Redwood will become the manager of each of the LOGiQ Funds and all funds will undergo a name change to continue under the Redwood banner. Certain of the LOGiQ Funds will be merged prior to completion of the Transaction, into a mutual fund managed, or to be managed, by Redwood. Certain of the LOGiQ Funds will be converted from closed-end funds into open-end mutual funds. In addition, certain funds will undergo a change in investment objectives.

Below is a summary of the proposed material changes to each of the LOGiQ Funds:

<b>Mutual Funds</b>	<b>Proposed material changes</b>
LOGiQ Global Balanced Income Class	• Change of manager and portfolio manager
LOGiQ Balanced Monthly Income Class	• Change of manager
LOGiQ Global Opportunities Class	• Change of manager
LOGiQ Growth Class	• Change of manager and portfolio manager • Merger into Redwood Special Opportunities Fund (formerly, LOGiQ Special Opportunities Class)
LOGiQ MLP and Infrastructure Income Class	• Change of manager
LOGiQ Money Market Class	• Change of manager
LOGiQ Resource Growth and Income Class	• Change of manager and portfolio manager
LOGiQ Special Opportunities Class	• Change of manager and portfolio manager
LOGiQ Tactical Bond Class	• Change of manager and portfolio manager
LOGiQ Tactical Equity Class	• Change of manager and portfolio manager
LOGiQ Growth Fund	• Change of manager and portfolio manager
LOGiQ Tactical Bond Fund	• Change of manager, trustee and portfolio manager

<b>Mutual Funds</b>	<b>Proposed material changes</b>
LOGiQ Global Resource Fund	<ul style="list-style-type: none"> <li>• Change of manager, trustee and portfolio manager</li> </ul>
LOGiQ High Income Fund	<ul style="list-style-type: none"> <li>• Change of manager, trustee and portfolio manager</li> </ul>
LOGiQ Millennium Fund	<ul style="list-style-type: none"> <li>• Change of manager, trustee and portfolio manager</li> <li>• Merger into Redwood High Income Fund (formerly, LOGiQ High Income Fund)</li> </ul>
LOGiQ Strategic Yield Fund	<ul style="list-style-type: none"> <li>• Change of manager, trustee and portfolio manager</li> </ul>
LOGiQ Total Return Fund	<ul style="list-style-type: none"> <li>• Change of manager and trustee</li> </ul>
<b>Closed-End Funds</b>	<b>Proposed material changes</b>
Australian Banc Income Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Change investment objective to global financials portfolio</li> <li>• Conversion to an open-end fund</li> </ul>
Canadian 50 Advantaged Preferred Share Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Merger into Redwood Canadian Preferred Share Fund</li> </ul>
Global Capital Securities Trust	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Conversion to an open-end fund</li> </ul>
LOGiQ Advantage Bond Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Conversion to an open-end fund</li> </ul>
LOGiQ Advantage Oil & Gas Income Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Conversion to an open-end fund</li> </ul>
LOGiQ Advantage VIP Income Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Conversion to an open-end fund</li> </ul>
LOGiQ AVIP Trust	<ul style="list-style-type: none"> <li>• Change of manager and trustee</li> </ul>
LOGiQ MBB Trust	<ul style="list-style-type: none"> <li>• Change of manager and trustee</li> </ul>
LOGiQ O&G Trust	<ul style="list-style-type: none"> <li>• Change of manager and trustee</li> </ul>
LOGiQ VIP Income Fund	<ul style="list-style-type: none"> <li>• Change of manager and trustee</li> <li>• Conversion to an open-end fund</li> </ul>
Low Volatility Canadian Equities Income Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Conversion to an open-end fund</li> </ul>
Macquarie Global Infrastructure Income Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Conversion to an open-end fund</li> </ul>
Voya Floating Rate Senior Loan Fund	<ul style="list-style-type: none"> <li>• Change of manager and trustee</li> <li>• Expand investment objective to add other corporate fixed income securities in addition to senior loans</li> <li>• Conversion to an open-end fund</li> </ul>
Voya Diversified Floating Rate Senior Loan Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Expand investment objective to add other corporate fixed income securities in addition to senior loans</li> </ul>

<b>Closed-End Funds</b>	<b>Proposed material changes</b>
LOGiQ Credit Opportunities Fund	<ul style="list-style-type: none"> <li>• Conversion to an open-end fund</li> <li>• Change of manager and trustee</li> <li>• Provide for daily redemptions</li> </ul>
LOGiQ Select Equity Fund	<ul style="list-style-type: none"> <li>• Change of manager</li> <li>• Provide for daily redemptions</li> </ul>

Holders of securities of the relevant LOGiQ Funds will be asked to approve, as applicable, the change of manager (and in certain cases the change of trustee and/or portfolio manager), the mergers, the investment objectives change, and the conversions at special meetings. The special meetings are expected to be called and held on or about November 3, 2017. Details about the changes will be contained in the meeting materials to be mailed to holders of securities of the LOGiQ Funds, which will be made available under each LOGiQ Fund's profile at [www.sedar.com](http://www.sedar.com).

The Company will refer the Transaction to the applicable Independent Review Committee (the "IRC") of the LOGiQ Funds, which acts in an advisory capacity representing the interests of the funds and securityholders with respect to conflict of interest matters. The IRC has been asked to review the proposals and determine that, if implemented, each proposal would achieve a fair and reasonable result for the applicable LOGiQ Fund.

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